

## **2011 DRAFTING REQUEST**

### **Bill**

Received: **12/21/2010**

Received By: **jkuesel**

Wanted: **Soon**

Companion to LRB:

For: **Administration-Budget 6-8777**

By/Representing: **Frederick**

May Contact:

Drafter: **jkuesel**

Subject: **Elections - campaign finance  
Tax, Individual - income**

Addl. Drafters: **mshovers**

Extra Copies:

Submit via email: **NO**

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### **Pre Topic:**

DOA:.....Frederick, BB0164 -

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### **Topic:**

Public financing of campaigns for state office

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### **Instructions:**

Per attached E mail, 12/21/10. P/C, 1/4/11: abolish checkoff in campaigns for all offices. Eliminate supplemental grants for justice candidates to counter independent expenditures.

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### **Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkuesel 01/05/2011 mshovers 01/06/2011			_____ _____ _____ _____			State
/1		nnatzke 01/20/2011	phenry 01/20/2011	_____ _____	lparisi 01/20/2011		State
/2	jkuesel 01/31/2011	nnatzke 02/08/2011	rschluet 02/09/2011	_____ _____	lparisi 02/09/2011		State
/3	jkuesel 02/10/2011	nnatzke 02/10/2011	rschluet 02/10/2011	_____ _____	lparisi 02/10/2011		

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

FE Sent For:

<END>

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/?	jkuesel 01/05/2011 mshovers 01/06/2011			_____			State
/1		nmatzke 01/20/2011	phenry 01/20/2011	_____	lparisi 01/20/2011		State
/2	jkuesel 01/31/2011	nmatzke 02/08/2011	rschuet 02/09/2011	_____	lparisi 02/09/2011		

FE Sent For: 2/11/11

1/3 nwn  
2/10

2/10/11

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/?	jkuesel 01/05/2011 mshovers 01/06/2011						State
/1 h	jkuesel 1/31/11	nnatzke 01/20/2011 1/2 nwn 2/2	phenry 01/20/2011	2/9 pn/8k	lparisi 01/20/2011		

FE Sent For:

<END>

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Received By: jkuesel

**Wanted: Soon**

Companion to LRB:

For: **Administration-Budget 6-8777**

By/Representing: **Frederick**

May Contact:

Drafter: jkuesel

**Subject: Elections - campaign finance  
Tax, Individual - income**

Addl. Drafters: **mshovers**

Extra Copies:

Submit via email: **NO**

**Pre Topic:**

DOA:.....Frederick, BB0511 -

**Topic:**

## Public financing of campaigns for state office

**Instructions:**

Per attached E mail, 12/21/10. P/C, 1/4/11: abolish checkoff in campaigns for all offices. Eliminate supplemental grants for justice candidates to counter independent expenditures.

## Drafting History:

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

/j? jkuesel

1 NW 1/10

bo  
pk

Proofed

*[Handwritten signature]*

**<END>**

Submitted

Jacketed

Required

11 MES 1/6/11

FE Sent For:

**Kuesel, Jeffery**

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**From:** Hanaman, Cathlene  
**Sent:** Tuesday, December 21, 2010 4:02 PM  
**To:** Kuesel, Jeffery  
**Subject:** FW: Statutory Language Drafting Request

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**From:** DOADLBASADMININTERNETSHAREPOINT@WI.GOV  
[mailto:DOADLBASADMININTERNETSHAREPOINT@WI.GOV]  
**Sent:** Tuesday, December 21, 2010 3:42 PM  
**To:** Hanaman, Cathlene  
**Cc:** Shayna.Hetzel@wisconsin.gov; Thornton, Scott - DOA; Kraus, Jennifer - DOA  
**Subject:** Statutory Language Drafting Request

Topic: Public Financing of Campaigns

Tracking Code: BB0164

SBO Team: GGED

SBO Analyst: Frederick, Caitlin - DOA  
Phone: (608) 266-8777  
E-mail: Caitlin.Frederick@Wisconsin.gov

Agency Acronym: GAB

Agency Number: 511

Priority: Medium

Intent:  
Modifies provisions of 2009 Wisconsin Act 89:

- Under 71.10(3)(a) Designation to the election campaign fund does reduce tax refund or increase liability [like Endangered Species Check off, for example]
- Limit amount of disbursement to amounts available in the fund.
- Disbursement limits of \$100,000 and \$300,000 apply but are prorated relative to the amounts in the fund and the amount of candidates requesting public financing.
- Eliminate provisions of law regarding matching grants relative to nonparticipants spending.
- Eliminate GPR sum sufficient provision [should be self-evident that this would occur]
- Effective date January 1, 2012

Attachments: False

12/21/2010



State of Wisconsin  
2011 - 2012 LEGISLATURE



JRB-0778/2  
JTK & MES  
nwn

*wanted soon*

DOA:.....Frederick, BB0511 - Public financing of campaigns for state office

**FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION**

SA ✓  
x-ref ✓

*and the individual  
income tax checkoff  
for public financing of  
campaigns*

*don't gen.*

AN ACT ...; relating to: public financing of campaigns for state offices.

*anal. title: head*

*STATE GOVERNMENT  
Other state government*

*anal. title: sub  
TAXATION  
INCOME TAXATION*

**Analysis by the Legislative Reference Bureau**

Currently, an individual filing an individual income tax return who has a tax liability or who is entitled to a tax refund may designate \$3 for the Wisconsin election campaign fund and the democracy trust fund. If the designation is made, \$2 of general purpose revenue is allocated to the democracy trust fund, which is used to finance the campaigns of eligible candidates for the office of justice of the supreme court and \$1 of general purpose revenue is allocated to the Wisconsin election campaign fund, which is used to finance the campaigns of eligible candidates for certain other state offices specified by law. A designation does not affect the amount of the tax liability of, or the amount of any refund payable to, the individual making the designation. In addition, if the total amount of designations does not generate sufficient revenue for the democracy trust fund, the deficiency is covered with an appropriation of general purpose revenue so that the maximum amounts of grants that are payable to all eligible candidates for the office of justice of the supreme court are paid in full. Currently, eligible candidates for the office of justice of the supreme court may also receive supplemental grants from the democracy trust fund (a) if ~~they~~ are opposed by one or more candidates who decline to accept grants and who do not adhere to a specified spending level that is close to the grant amounts; and b) if one or more persons make independent expenditures in opposition to ~~them~~ or in support of one or more of ~~their~~ opponents. Currently, the grants payable to eligible candidates for other state offices are limited by the total amounts of designations

*the eligible  
candidate is*

*the eligible candidate's*

*the eligible candidate*

made on tax returns in a given year and those grants may be prorated if insufficient revenue is available to make payment of the grants in full. Eligible candidates for the office of justice of the supreme court are severely limited in the total amount of private contributions that they may accept. Candidates for other state offices are not eligible to receive any supplemental grants and may accept a greater total amount of private contributions.

This bill provides that any designation of \$3 for the Wisconsin election campaign fund and the democracy trust fund made by an individual is added to the individual's tax liability or deducted from the individual's refund otherwise payable. The bill also deletes the supplemental grants that are currently may become payable to eligible candidates for the office of justice of the supreme court. In addition, the bill deletes the supplement from general purpose revenue which currently ensures that all eligible candidates for the office of justice of the supreme court receive the full amounts of the grants to which they are entitled. Under the bill, if there are insufficient moneys available to make payment of the full amounts of grants to which eligible candidates for the office of justice of the supreme court are entitled, the amounts of the grants are prorated to adjust for the deficiency. The bill permits candidates for the office of justice of the supreme court who accept grants to also accept additional private contributions in an amount sufficient to cover any deficiency in the public grants to which they would otherwise be entitled.

The bill applies to designations made and grants awarded after December 31, 2011.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 11.26 (9) (a) and (b) of the statutes are amended to read:

11.26 (9) (a) Except as provided in par. (ba), no individual who is a candidate for state or local office may receive and accept more than 65 percent of the value of the total disbursement level determined under s. 11.31 or 11.511 (7) (a) for the office for which he or she is a candidate during any primary and election campaign combined from all committees subject to a filing requirement, including political party and legislative campaign committees.



(b) Except as provided in par. (ba), no individual who is a candidate for state or local office may receive and accept more than 45 percent of the value of the total disbursement level determined under s. 11.31 or 11.511 (7) (a) for the office for which he or she is a candidate during any primary and election campaign combined from all committees other than political party and legislative campaign committees subject to a filing requirement. ✓

History: 1973 c. 334; 1975 c. 93 ss. 89 to 95, 118 (1); 1975 c. 200; 1977 c. 107, 187; 1977 c. 427 s. 132; 1979 c. 263, 328; 1979 c. 355 s. 32; 1983 a. 183, 186; 1985 a. 303 ss. 44 to 55m, 86; 1987 a. 27, 370; 1989 a. 31, 192; 1995 a. 27 s. 9145 (1); 1995 a. 219, 225; 1999 a. 32; 2001 a. 109; 2005 a. 177; 2009 a. 89, 216.

SECTION 2. 11.506 (1) of the statutes is amended to read:

11.506 (1) An eligible candidate shall not accept private contributions other than seed money contributions and qualifying contributions that the candidate accepts during the exploratory period and the public financing qualifying period during the primary election campaign period in an aggregate amount exceeding the difference, if any, between the maximum amount of the public financing benefit for the primary election campaign period and the actual amount of the public financing benefit for that period paid to the eligible candidate. ✓ ~~Except as provided in par. (b),~~ an eligible candidate shall not accept private contributions during the election campaign period in an aggregate amount exceeding the difference, if any, between the maximum amount of the public financing benefit for the election campaign period and the actual amount of the public financing benefit for that period paid to the eligible candidate. ✓ plain

SECTION 3. 11.51 (title) of the statutes is amended to read:

11.51 (title) ~~Certification~~ Certifications by candidate and board. ✓

History: 2009 a. 89.

SECTION 4. 11.51 (1m) of the statutes is created to read:

11.51 (1m) Upon determination of the number of eligible candidates who qualify for a public financing benefit for the primary election campaign period, the board shall determine the amounts of the public financing benefits that are payable

1 to all eligible candidates in the primary election campaign period and the election  
2 campaign period by reserving a public financing benefit amount from the democracy  
3 trust fund for the election campaign period for 2 eligible candidates, <sup>✓</sup>if 2 or more  
4 candidates qualify to receive a public financing benefit for the primary election  
5 campaign period, or for one eligible candidate, if only one candidate qualifies to  
6 receive a public financing benefit for the primary election campaign period <sup>✓</sup>and, if  
7 there are insufficient moneys in the democracy trust fund to make full payment of  
8 all public financing benefits that are or may become payable for the primary and  
9 election campaign periods, by prorating the amounts of the public financing benefits  
10 to fully allocate all available moneys to the eligible candidates. <sup>✓</sup>If, on the day that  
11 the board makes its certification under sub. (3), <sup>✓</sup>there are additional moneys in the  
12 democracy trust fund that have become available for distribution to eligible  
13 candidates in the election campaign period, the board shall distribute the additional  
14 moneys in equal amounts to each eligible candidate at the spring election <sup>✓</sup>or, if there  
15 is only one eligible candidate, to that candidate alone, up to the maximum amount  
16 of the public financing benefit for the spring election, as provided in ~~ss.~~ <sup>s.</sup> 11.511 (3) <sup>✓</sup>and  
17 (6). <sup>✓</sup>

18 **SECTION 5.** 11.511 (1) of the statutes is amended to read:

19 11.511 (1) The state treasurer shall provide to each eligible candidate who  
20 qualifies to receive a public financing benefit for the primary or election campaign  
21 period separate lines of credit for the public financing benefits payable to the  
22 candidate for the primary and election campaign periods in the amounts specified  
23 in this section, ~~subject to any required adjustment under s. 11.512 (2) or 11.513 (2).~~ <sup>✓</sup>  
24 An eligible candidate may use this public financing benefit to finance any lawful  
25 disbursements during the primary and election campaign periods to further the

election of the candidate in that primary or election. An eligible candidate shall not use this public financing benefit to repay any loan, or in violation of ss. 11.502 to 11.522 or any other applicable law. ✓

History: 2009 a. 89, 216.

**SECTION 6.** 11.511 (2) of the statutes is amended to read:

11.511 (2) ~~Except as provided in ss. 11.512 (2) and 11.513 (2), the~~ <sup>✓</sup> The maximum public financing benefit for a primary election campaign period is \$100,000, subject to adjustment under ~~sub. (1m).~~ <sup>s. 11.51 ✓</sup>

History: 2009 a. 89, 216.

**SECTION 7.** 11.511 (3) of the statutes is amended to read:

11.511 (3) ~~Except as provided in ss. 11.512 (2) and 11.513 (2), the~~ <sup>✓</sup> The maximum public financing benefit for an election campaign period is \$300,000, subject to ~~adjustment under~~ <sup>s. 11.51 ✓</sup> sub. (1m).

History: 2009 a. 89, 216.

**SECTION 8.** 11.511 (6) of the statutes is amended to read:

11.511 (6) Notwithstanding subs. (2) and (3), beginning on July 1, 2012, and every 2 years thereafter, the board shall modify the maximum public financing benefits provided for in subs. (2) and (3) to adjust for the change in the consumer price index, all items, U.S. city average, published by the U.S. department of labor for the preceding 2-year period ending on December 31. ✓

History: 2009 a. 89, 216.

**SECTION 9.** 11.511 (7) (a) of the statutes is renumbered 11.511 (7) and amended to read:

11.511 (7) ~~Except as provided in par. (b), no~~ <sup>✓</sup> No candidate for the office of justice who files an application for a public financing benefit and certification under s. 11.51 (1) and who accepts a public financing benefit may make or authorize total disbursements in a campaign, beginning with the first day of the exploratory period

1 and ending on the date of the spring election, to the extent of more than the maximum  
2 amounts specified in ss. 11.502 (2) and 11.508 (1), plus the amount specified in s.  
3 11.511 (3), as adjusted under s. 11.511 (6), and, if there is a primary for the office of  
4 justice, the amount specified in s. 11.511 (2), as adjusted under s. 11.511 (6).✓

History: 2009 a. 89, 216.

5 **SECTION 10.** 11.511 (7) (b) of the statutes is repealed.✓

History: 2009 a. 89, 216.

6 **SECTION 11.** 11.512 of the statutes is repealed.✓7 **SECTION 12.** 11.513 of the statutes is repealed.✓

History: 2009 a. 89.

8 **SECTION 13.** 11.517 (1) of the statutes is amended to read:

9 11.517 (1) Notwithstanding s. 11.60 (1), if an eligible candidate makes  
10 disbursements that exceed the total amount of the public financing benefit allocated  
11 to the candidate for any campaign and, the total qualifying and seed money  
12 contributions lawfully accepted by the candidate, and the total private contributions  
13 that the candidate may accept under s. 11.506 (1), the candidate may be required to  
14 forfeit not more than 10 times the amount by which the disbursements exceed the  
15 allocation that total.✓

History: 2009 a. 89.

16 **SECTION 14.** 11.522 of the statutes is amended to read:

17 **11.522 Contributions to nonparticipating candidates.** A  
18 nonparticipating candidate may accept contributions from private sources without  
19 limitation, except that no person may make any contribution or contributions to a  
20 nonparticipating candidate exceeding a total of \$1,000 during any campaign, subject  
21 to applicable limitations under s. 11.26.✓

History: 2009 a. 89, 216.

22 **SECTION 15.** 20.585 (1) (q) of the statutes is amended to read:

20.585 (1) (q) *Public financing benefits; candidates for justice.* From the democracy trust fund, a sum sufficient equal in each fiscal year to the lesser of the total amount annually certified for the democracy trust fund under s. 71.10 (3e) (h) 3. minus the amounts appropriated under ss. 20.511 (1) (r) and 20.585 (1) (r) for the fiscal year in which the certification is made, and the total amount of public financing benefits that eligible candidates qualify to receive in that fiscal year, to provide for payment of public financing benefits to eligible candidates under ss. 11.501 to 11.522.

*History:* 1971 c. 125; 1973 c. 334; 1975 c. 270; 1977 c. 29; 1977 c. 418 ss. 160, 192; 1979 c. 221, 328; 1980 c. 20; 1983 a. 40; 1985 a. 29; 1989 a. 31; 1991 a. 39; 1993 a. 16; 1995 a. 27 ss. 1074m, 1079m, 1080m, 1126g to 1139; 1995 a. 201; 1997 a. 27; 1999 a. 9 ss. 587, 597m; 1999 a. 44; 2001 a. 7, 16; 2003 a. 33; 2005 a. 478; 2009 a. 89.

**SECTION 16.** 20.855 (4) (bb) of the statutes is repealed.

**SECTION 17.** 25.421 of the statutes is amended to read:

**25.421 Democracy trust fund.** All moneys appropriated under s. 20.855 (4) (ba) and (bb) and all moneys deposited in the state treasury under ss. 11.509, 11.51

(4), and 11.511 (5r) constitute the democracy trust fund, to be expended for the purposes of ss. 11.501 to 11.522.

*History:* 2009 a. 89.

**SECTION 18.** 71.10 (3) (title) of the statutes is amended to read:

**71.10 (3) (title) CAMPAIGN FUND FUNDS**

*History:* 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237, 248; 1999 a. 9, 167; 2001 a. 16, 109; 2003 a. 33, 99, 135, 176, 255, 321; 2005 a. 25, 49, 71, 74, 177, 178, 323, 361, 460, 479, 483; 2007 a. 1, 20, 96, 97; 2009 a. 2, 28, 89, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

**SECTION 19.** 71.10 (3) (a) of the statutes is created to read:

**71.10 (3) (a) Designation.**

1. (title) 'Designation on return.'

**SECTION 20.** 71.10 (3) (a) of the statutes is renumbered 71.10 (3) (a) 1. and

amended to read:

**71.10 (3) (a) 1.** Every individual filing an income tax return who has a tax liability or is entitled to a tax refund may designate on the return \$3 for the

Wisconsin election campaign fund and the democracy trust fund for the use of eligible

{ Soc. #; CR; 71.10 (3) (c)  
71.10 (3) (c) This subsection does not apply to a taxable year that begins after December 31, 2011.

of additional payment or \$3 of a refund due that individual

to 11.522 ✓  
1 candidates under ss. 11.50 ~~and 11.51~~. If the individuals filing a joint return have a  
2 tax liability or are entitled to a tax refund, each individual may make a designation  
3 of \$3 under this subsection. ✓

History: 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237, 248; 1999 a. 9, 167; 2001 a. 16, 109; 2003 a. 33, 99, 135, 176, 255, 321; 2005 a. 25, 49, 71, 74, 177, 178, 323, 361, 460, 479, 483; 2007 a. 1, 20, 96, 97; 2009 a. 2, 28, 89, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

4 **SECTION 21.** 71.10 (3) (a) 2. and 3. of the statutes are created to read:

5 71.10 (3) (a) 2. 'Designation added to tax owed.' If the individual owes any tax,  
6 the individual shall remit in full the tax due and the amount designated on the return  
7 for the Wisconsin election campaign fund and the democracy trust fund when the  
8 individual files a tax return. ✓

History: 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237, 248; 1999 a. 9, 167; 2001 a. 16, 109; 2003 a. 33, 99, 135, 176, 255, 321; 2005 a. 25, 49, 71, 74, 177, 178, 323, 361, 460, 479, 483; 2007 a. 1, 20, 96, 97; 2009 a. 2, 28, 89, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

9 3. 'Designation deducted from refund.' Except as provided under par. (d), if the  
10 individual is owed a refund for that year after crediting under ss. 71.75 (9) ✓ and 71.80  
11 (3), ✓ and (3m) ✓ the department of revenue shall deduct the amount designated on the return for  
12 the Wisconsin election campaign fund and the democracy trust fund from the amount  
13 of the refund. ✓

History: 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237, 248; 1999 a. 9, 167; 2001 a. 16, 109; 2003 a. 33, 99, 135, 176, 255, 321; 2005 a. 25, 49, 71, 74, 177, 178, 323, 361, 460, 479, 483; 2007 a. 1, 20, 96, 97; 2009 a. 2, 28, 89, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

14 **SECTION 22.** 71.10 (3) (b) of the statutes is repealed.

15 **SECTION 23.** 71.10 (3) (ba) of the statutes is created to read: ✓

16 71.10 (3) (ba) (c) Errors; failure to remit correct amount. If an individual who owes  
17 taxes fails to remit an amount equal to or in excess of the total of the actual tax due,  
18 after error corrections, and the amount designated on the return for the Wisconsin  
19 election campaign fund and the democracy trust fund: ✓

20 1. The department shall reduce the designation for the Wisconsin election  
21 campaign fund and the democracy trust fund ✓ to reflect the amount remitted in excess  
22 of the actual tax due, after error corrections, if the individual remitted an amount

1 in excess of the actual tax due, after error corrections, but less than the total of the  
2 actual tax due, after error corrections, and the amount originally designated on the  
3 return for the Wisconsin election campaign fund and the democracy trust fund.✓

4 2. The designation for the Wisconsin election campaign fund and the  
5 democracy trust fund is void if the individual remitted an amount equal to or less  
6 than the actual tax due, after error corrections.✓

**History:** 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237, 248; 1999 a. 9, 167; 2001 a. 16, 109; 2003 a. 33, 99, 135, 176, 255, 321; 2005 a. 25, 49, 71, 74, 177, 178, 323, 361, 460, 479, 483; 2007 a. 1, 20, 96, 97; 2009 a. 2, 28, 89, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

7 ~~SECTION 24. 71.10 (3) (c) of the statutes is renumbered 71.10 (3) (h).~~

8 SECTION 25. 71.10 (3) (ca) and (d) to (g) of the statutes are created to read:

9 (d) (ca) *Errors; insufficient refund.* If an individual who is owed a refund which  
10 does not equal or exceed the amount designated on the return for the Wisconsin  
11 election campaign fund and the democracy trust fund, after crediting under ss. 71.75  
12 (9)✓ and 71.80 (3)✓ and (3m)✓ and after error corrections, the department shall reduce the  
13 designation for the Wisconsin election campaign fund and the democracy trust fund✓  
14 to reflect the actual amount of the refund the individual is otherwise owed, after  
15 crediting under ss. 71.75 (9) and 71.80 (3)✓ and (3m)✓ and after error corrections.✓

16 (e) (d) *Conditions.* If an individual places any conditions on a designation for the  
17 Wisconsin election campaign fund or the democracy trust fund, the designation is  
18 void.✓

19 (f) (e) *Void designation.* If a designation for the Wisconsin election campaign fund  
20 and the democracy trust fund is void, the department ~~of revenue~~ shall disregard the  
21 designation and determine amounts due, owed, refunded, and received without  
22 regard to the void designation.✓

23 (g) (f) *Tax return.* The secretary of revenue shall provide a place for the  
24 designations under this subsection on the individual income tax return and, on forms

printed by the department ~~of revenue~~, the secretary shall highlight that place on the return by a symbol chosen by the government accountability board that relates to the Wisconsin election campaign fund and the democracy trust fund. ✓

(h) (g) *Certification of amounts.* Annually, on or before August 15, the secretary of revenue shall certify to the government accountability board, the department of administration and the state treasurer: *all of the following* ✓

1. The total amount of the administrative costs, including data processing costs, incurred by the department ~~of revenue~~ in administering this subsection during the previous fiscal year. ✓

2. (g) The total amount received from all designations for the Wisconsin election campaign fund and the democracy trust fund made by taxpayers during the previous fiscal year. ✓

3. (4) The net amount remaining after the administrative costs, including data processing costs, under subd. 1. are subtracted from the total received under subd. 2. ✓

(i) *Confidentiality.* The names of persons making designations under this subsection shall be strictly confidential. ✓

(j) *Appropriations.* (5) From the moneys received from designations for the Wisconsin election campaign fund and the democracy trust fund, an amount equal to the sum of administrative expenses, including data processing costs, certified under ~~subd. 1.~~ *par. (h) 1.* ✓

shall be deposited in the general fund and credited to the appropriation under s. 20.566 (1) (hp), and ~~the~~ *par. (h) 3.* two-thirds of the net amount remaining certified under ~~subd. 3.~~ ✓

~~It~~ shall be deposited in the democracy trust fund and one-third of the net amount remaining certified under ~~subd. 3.~~ *par. (h) 3.* shall be deposited in the Wisconsin election campaign fund. ✓

(k) *Amounts subject to refund.* (6) Amounts designated for the Wisconsin election campaign fund and the democracy trust fund under this subsection are not subject to refund to the taxpayer



(1) unless the taxpayer submits information to the satisfaction of the department, within  
 2 18 months after the date taxes are due or the date the return is filed, whichever is  
 3 later, that the amount designated is clearly in error. Any refund granted by the  
 4 department ~~of revenue~~ <sup>paragraph</sup> under this ~~subdivision~~ shall be deducted from the moneys  
 5 received under this subsection in the fiscal year that the refund is certified.

**History:** 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237, 248; 1999 a. 9, 167; 2001 a. 16, 109; 2003 a. 33, 99, 135, 176, 255, 321; 2005 a. 25, 49, 71, 74, 177, 178, 323, 361, 460, 479, 483; 2007 a. 1, 20, 96, 97; 2009 a. 2, 28, 89, 265, 269, 295, 332; s. 13.92 (1) (bm) 2., (2) (i).

# SECTION 9418. Effective dates; Government Accountability Board.

(1) PUBLIC FINANCING OF CAMPAIGNS FOR STATE OFFICE. The treatment of sections  
 8 11.26 (9) (a) and (b), 11.506 (1), 11.51 (title) and (1m), 11.511 (1), (2), (3), (6), and (7)  
 9 (a) and (b), 11.512, 11.513, 11.517 (1), 11.522, 20.585 (1) (q) and (4) (bb), 25.421, and  
 10 71.10 (3) (title) and (3) (a) (title), 1. (title), (a), (b), (ba), (c), (ca), and (d) to (g) of the  
 11 statutes and the creation of 71.10 (3) (a) 2. and 3. of the statutes take effect on  
 12 January 1, 2012. (c) and (3e) of the statutes, the repeal of  
 13 ~~section 11.511 (7) (b) of the statutes, and the renumbering~~  
 (END) and amendment of section 11.511 (7) of the statutes (a)

(1) This subsection first applies to taxable years beginning after December 31, 2011.

amount of moneys is expended or encumbered for the purposes for which this appropriation is made from the appropriation account under par. (i).

SECTION 4. 20.566 (1) (hp) of the statutes is amended to read:

20.566 (1) (hp) *Administration of income tax checkoff voluntary payments.* The amounts in the schedule for the payment of all administrative costs, including data processing costs, incurred in administering ss. 71.10 (5), (5e), (5f), (5fm), (5g), (5h), (5i), (5j), (5L), and (5m), and 71.30 (10). All moneys specified for deposit in this appropriation under ss. 71.10 (5) (h) 5., (5e) (h) 4., (5f) (i), (5fm) (i), (5g) (i), (5h) (i), (5i) (i), (5j) (i), (5L) (i), and (5m) (i), and 71.30 (10) (i) and (11) (i) shall be credited to this appropriation account.

SECTION 5. 71.10 (5L) of the statutes is created to read:

71.10 (5L) SUPPORT OF THE ARTS CHECKOFF. (a) *Definitions.* In this subsection:

1. "Department" means the department of revenue.

2. "Support of the arts donation" means a designation made under this subsection, the net proceeds of which are used by the arts board as provided in par. (i).

(b) *Voluntary payments.* 1. 'Designation on return.' Every individual filing an income tax return who has a tax liability or is entitled to a tax refund may designate on the return any amount of additional payment or any amount of a refund due that individual for a support of the arts donation.

2. 'Designation added to tax owed.' If the individual owes any tax, the individual shall remit in full the tax due and the amount designated on the return as a support of the arts donation when the individual files a tax return.

3. 'Designation deducted from refund.' Except as provided in par. (d), if the individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80

END OF INS 6-21

7-8:1

SET: remove striking

**25.42 Wisconsin election campaign fund.** All moneys ~~appropriated under s. 20.855 (4) (b)~~ together with all moneys reverting to the state under s. 11.50 (8) and all gifts, bequests and devises received under s. 11.50 (13) constitute the Wisconsin election campaign fund, to be expended for the purposes of s. 11.50. All moneys in the fund not disbursed by the state treasurer shall continue to accumulate indefinitely.

and all moneys  
deposited in the  
Wisconsin election  
campaign fund  
under  
s. 71.10 (3e) (j) ✓

create ARX (see last page)  
7-8:2  
SECDW [X] AM 125.42 as affected by 2011 Wisconsin Act ... (this act)

**25.42 Wisconsin election campaign fund.** All moneys ~~appropriated under s. 20.855 (4) (b)~~ together with all moneys reverting to the state under s. 11.50 (8) and all gifts, bequests and devises received under s. 11.50 (13) constitute the Wisconsin election campaign fund, to be expended for the purposes of s. 11.50. All moneys in the fund not disbursed by the state treasurer shall continue to accumulate indefinitely.

~~and all moneys~~  
deposited in the  
Wisconsin  
election  
campaign  
fund under  
S. 71.10 (3d) (j)

create AR Y (see last page)

SECTION 25.421, as amended by 2011 Wisconsin Act... (this act)

**25.421 Democracy trust fund.** All moneys appropriated under s. 20.855 (4) (b) and all moneys deposited in the state treasury under ss. 11.509, 11.51 (4), ~~and~~ 11.511 (5r) constitute the democracy trust fund, to be expended for the purposes of ss. 11.501 to 11.522.

democracy trust fund

and 71.10 (3e) (j)

INS  
7-16  
1 amount of moneys is expended or encumbered for the purposes for which this  
2 appropriation is made from the appropriation account under par. (i).

3 SECTION 4. 20.566 (1) (hp) of the statutes is amended to read:

4 20.566 (1) (hp) *Administration of income tax checkoff voluntary payments.* The  
5 amounts in the schedule for the payment of all administrative costs, including data  
6 processing costs, incurred in administering ss. 71.10 (5), (5e), (5f), (5fm), (5g), (5h),  
7 (5i), (5j), (5L), and (5m), and 71.30 (10). All moneys specified for deposit in this  
8 appropriation under ss. 71.10 (5) (h) 5., (5e) (h) 4., (5f) (i), (5fm) (i), (5g) (i), (5h) (i),  
9 (5i) (i), (5j) (i), (5L) (i), and (5m) (i), and 71.30 (10) (i) and (11) (i) shall be credited to  
10 this appropriation account.

11 SECTION 5. 71.10 (5L) of the statutes is created to read:

12 ~~71.10 (5L) SUPPORT OF THE ARTS CHECKOFF.~~ (a) *Definitions.* In this subsection:

13 1. "Department" means the department of revenue.

14 2. "Support of the arts donation" means a designation made under this  
15 subsection, the net proceeds of which are used by the arts board as provided in par.  
16 (i).

17 (b) *Voluntary payments.* 1. 'Designation on return.' Every individual filing an  
18 income tax return who has a tax liability or is entitled to a tax refund may designate  
19 on the return any amount of additional payment or any amount of a refund due that  
20 individual for a support of the arts donation.

21 2. 'Designation added to tax owed.' If the individual owes any tax, the  
22 individual shall remit in full the tax due and the amount designated on the return  
23 as a support of the arts donation when the individual files a tax return.

24 3. 'Designation deducted from refund.' Except as provided in par. (d), if the  
25 individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80

END OF INS 7-16

2005

11-12

Nonstat File Sequence:

FFF

LRB

-0778, 1

JRM+MES:

**EFFECTIVE DATE**

1. In the component bar: For the action phrase, execute: ... create → action: → \*NS: → effdate  
For the text, execute: ... create → text: → \*NS: → effdateA
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed.

**SECTION #** \_\_\_\_ • **Effective date.**

( #1 ) ( ) ..... This act takes effect  
on .....

1. In the component bar: For the action phrase, execute: ... create → action: → \*NS: → effdateE  
For the text, execute: ... create → text: → \*NS: → effdate
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed.

**SECTION #** 9418 • **Effective dates;** .....

..... This act takes effect on the day after publication, except as follows:

(#) in COMMEN FUND. APPROPRIATION The treatment of  
sections ... 20.855 (14) (b) and (6a) and the treatment of section 25.42  
of the statutes takes effect on January 1, 2013. (6y SECTION [X])  
and 25.421 (6y SECTION [Y])

1. In the component bar: For the budget action phrase, execute: ... create → action: → \*NS: → 94XX  
For the text, execute: ... create → text: → \*NS: → effdate
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed. Below, for the budget, fill in the 9400 department code.

**SECTION 94**• **Effective dates;** .....

( #1 ) ( ) ..... The treatment of  
sections .....  
of the statutes takes effect on .....

**Kuesel, Jeffery**

---

**From:** Kuesel, Jeffery  
**Sent:** Sunday, January 30, 2011 10:49 AM  
**To:** Frederick, Caitlin - DOA  
**Subject:** RE: Impartial Justice

Caitlin,

I understand the gist of these additions is to unify the administration in the GAB and take the state treasurer out of it. Other coordinating changes will also be needed. These changes will stand alone regardless of whether there are any other changes in the responsibilities of the state treasurer so they are not tied to any other draft on the in list.

**Jeffery T. Kuesel**  
**Wisconsin Legislative Reference Bureau**  
**P.O. Box 2037**  
**Madison, WI 53701-2037**  
**(608) 266-6778**  
**Jeffery.Kuesel@legis.wisconsin.gov**

---

**From:** Frederick, Caitlin - DOA [mailto:caitlin.frederick@wisconsin.gov]  
**Sent:** Sunday, January 30, 2011 9:11 AM  
**To:** Kuesel, Jeffery  
**Subject:** FW: Impartial Justice

Jeff,  
Can you make the changes noted below?

*Caitlin Morgan Frederick*  
*Wisconsin Division of Budget & Finance*  
*608-266-8777*

---

**From:** Grinde, Kirsten - DOA  
**Sent:** Wednesday, January 26, 2011 3:41 PM  
**To:** Frederick, Caitlin - DOA  
**Cc:** Waterman, Mickie D - DOA; Kraus, Jennifer - DOA  
**Subject:** RE: Impartial Justice

Caitlin,

Please request the following changes to LRB 0778/1:

- In section 16, page 7, renumber s. 20.585(1)(q) to an appropriate place under s. 20.511.
- Repeal s. 20.585(1)(r) (which will also affect the amendment language in section 16, page 7, line 10).

In addition, the changes should remove the State Treasurer from the democracy trust fund and candidates for justice requirements/implementation. Under the changes, the program will be run (certifications and payments) by the Government Accountability Board.

Please let me know if any questions arise.

Thanks,

1/30/2011



Kirsten

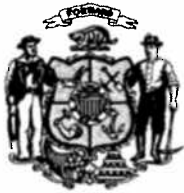
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**From:** Frederick, Caitlin - DOA  
**Sent:** Tuesday, January 25, 2011 1:57 PM  
**To:** Grinde, Kirsten - DOA  
**Subject:** Impartial Justic

<http://wisapps.wi.gov/sites/sbo/statutes/Shared%20Documents/11-07781.pdf>

*Caitlin Morgan Frederick*  
*Executive Policy and Budget Analyst-Senior*  
*State of Wisconsin Division of Budget & Finance*  
*101 E. Wilson, 10th fl*  
*Madison, WI 53702*  
*608-266-8777*

1/30/2011



State of Wisconsin  
2011 - 2012 LEGISLATURE



LRB-0778/1

JTK&MES:nwn:ph

DOA:.....Frederick, BB0164 - Public financing of campaigns for state office

**FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION**

- 1 *don't gen.* AN ACT ...; **relating to:** public financing of campaigns for state offices and the
- 2 individual income tax checkoff for public financing of campaigns.

*Analysis by the Legislative Reference Bureau*

STATE GOVERNMENT

OTHER STATE GOVERNMENT

TAXATION

INCOME TAXATION

*this is 125 2B*

*move to P. 2*

Currently, an individual filing an individual income tax return who has a tax liability or who is entitled to a tax refund may designate \$3 for the Wisconsin election campaign fund and the democracy trust fund. If the designation is made, \$2 of general purpose revenue is allocated to the democracy trust fund, which is used to finance the campaigns of eligible candidates for the office of justice of the supreme court and \$1 of general purpose revenue is allocated to the Wisconsin election campaign fund, which is used to finance the campaigns of eligible candidates for certain other state offices specified by law. A designation does not affect the amount of the tax liability of, or the amount of any refund payable to, the individual making the designation. *In addition*, if the total amount of designations does not generate sufficient revenue for the democracy trust fund, the deficiency is covered with an appropriation of general purpose revenue so that the maximum amounts of grants that are payable to all eligible candidates for the office of justice of the supreme court

*currently candidates for the office of justice of the supreme court may qualify to receive public grants from the democracy trust fund to finance their campaigns.*

*for the democracy trust fund*

~~AC R: The bill applies to grants awarded after December 31, 2011.~~

are paid in full. Currently, an eligible candidate for the office of justice of the supreme court may also receive supplemental grants from the democracy trust fund: a) if the eligible candidate is opposed by one or more candidates who decline to accept grants and who do not adhere to a specified spending level that is close to the grant amounts; and b) if one or more persons make independent expenditures in opposition to the eligible candidate or in support of one or more of the eligible candidate's opponents. Currently, the grants payable to eligible candidates for other state offices are limited by the total amounts of designations made on tax returns in a given year and those grants may be prorated if insufficient revenue is available to make payment of the grants in full. Eligible candidates for the office of justice of the supreme court are severely limited in the total amount of private contributions that they may accept. Candidates for other state offices are not eligible to receive any supplemental grants and may accept a greater total amount of private contributions.

### STATE GOVERNMENT

#### OTHER STATE GOVERNMENT

### TAXATION

#### INCOME TAXATION

This bill provides that any designation of \$3 for the Wisconsin election campaign fund and the democracy trust fund made by an individual is added to the individual's tax liability or deducted from the individual's refund otherwise payable. The bill also deletes the supplemental grants that are currently may become payable to eligible candidates for the office of justice of the supreme court. ~~In addition,~~ The bill deletes the supplement from general purpose revenue which currently ensures that all eligible candidates for the office of justice of the supreme court receive the full amounts of the grants to which they are entitled. Under the bill, if there are insufficient moneys available to make payment of the full amounts of grants to which eligible candidates for the office of justice of the supreme court are entitled, the amounts of the grants are prorated to adjust for the deficiency. The bill permits candidates for the office of justice of the supreme court who accept grants to also accept additional private contributions in an amount sufficient to cover any deficiency in the public grants to which they would otherwise be entitled.

~~NGA~~ The bill applies to designations made ~~and grants awarded~~ after December 31, 2011.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

- 1        **SECTION 1.** 11.26 (9) (a) and (b) of the statutes are amended to read:
- 2        11.26 (9) (a) Except as provided in par. (ba), no individual who is a candidate
- 3        for state or local office may receive and accept more than 65 percent of the value of

1 the total disbursement level determined under s. 11.31 or 11.511 (7) (a) for the office  
2 for which he or she is a candidate during any primary and election campaign  
3 combined from all committees subject to a filing requirement, including political  
4 party and legislative campaign committees.

5 (b) Except as provided in par. (ba), no individual who is a candidate for state  
6 or local office may receive and accept more than 45 percent of the value of the total  
7 disbursement level determined under s. 11.31 or 11.511 (7) (a) for the office for which  
8 he or she is a candidate during any primary and election campaign combined from  
9 all committees other than political party and legislative campaign committees  
10 subject to a filing requirement.

11 **SECTION 2.** 11.506 (1) of the statutes is amended to read:

12 11.506 (1) An eligible candidate shall not accept private contributions other  
13 ~~than seed money contributions and qualifying contributions that the candidate~~  
14 ~~accepts during the exploratory period and the public financing qualifying period~~  
15 during the primary election campaign period in an aggregate amount exceeding the  
16 difference, if any, between the maximum amount of the public financing benefit for  
17 the primary election campaign period and the actual amount of the public financing  
18 benefit for that period paid to the eligible candidate. An eligible candidate shall not  
19 accept private contributions during the election campaign period in an aggregate  
20 amount exceeding the difference, if any, between the maximum amount of the public  
21 financing benefit for the election campaign period and the actual amount of the  
22 public financing benefit for that period paid to the eligible candidate.

23 **SECTION 3.** 11.51 (title) of the statutes is amended to read:

24 **11.51 (title) ~~Certification~~ Certifications by candidate and board.**

25 **SECTION 4.** 11.51 (1m) of the statutes is created to read:

**2011-2012 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0778/2ins2  
JTK.....

INS 1E

Currently, eligible candidates for the office of justice of the supreme court may receive state grants from the democracy trust fund.✓ The grants are funded from general purpose revenue, which is provided to the fund when individual income tax filers designate \$2 to be deposited into the fund.✓

1           11.51 (1m) Upon determination of the number of eligible candidates who  
2           qualify for a public financing benefit for the primary election campaign period, the  
3           board shall determine the amounts of the public financing benefits that are payable  
4           to all eligible candidates in the primary election campaign period and the election  
5           campaign period by reserving a public financing benefit amount from the democracy  
6           trust fund for the election campaign period for 2 eligible candidates, if 2 or more  
7           candidates qualify to receive a public financing benefit for the primary election  
8           campaign period, or for one eligible candidate, if only one candidate qualifies to  
9           receive a public financing benefit for the primary election campaign period and, if  
10          there are insufficient moneys in the democracy trust fund to make full payment of  
11          all public financing benefits that are or may become payable for the primary and  
12          election campaign periods, by prorating the amounts of the public financing benefits  
13          to fully allocate all available moneys to the eligible candidates. If, on the day that  
14          the board makes its certification under sub. (3), there are additional moneys in the  
15          democracy trust fund that have become available for distribution to eligible  
16          candidates in the election campaign period, the board shall distribute the additional  
17          moneys in equal amounts to each eligible candidate at the spring election or, if there  
18          is only one eligible candidate, to that candidate alone, up to the maximum amount  
19          of the public financing benefit for the spring election, as provided in s. 11.511 (3) and  
20          (6).

21           **SECTION 5.** 11.511 (1) of the statutes is amended to read:

22           11.511 (1) The ~~state treasurer~~ <sup>board</sup> shall provide to each eligible candidate who  
23           qualifies to receive a public financing benefit for the primary or election campaign  
24           period separate lines of credit for the public financing benefits payable to the  
25           candidate for the primary and election campaign periods in the amounts specified

1 in this section, ~~subject to any required adjustment under s. 11.512 (2) or 11.513 (2).~~

2 An eligible candidate may use this public financing benefit to finance any lawful  
3 disbursements during the primary and election campaign periods to further the  
4 election of the candidate in that primary or election. An eligible candidate shall not  
5 use this public financing benefit to repay any loan, or in violation of ss. 11.502 to  
6 11.522 or any other applicable law.

7 **SECTION 6.** 11.511 (2) of the statutes is amended to read:

8 11.511 (2) ~~Except as provided in ss. 11.512 (2) and 11.513 (2), the~~ The maximum  
9 public financing benefit for a primary election campaign period is \$100,000, subject  
10 to adjustment under s. 11.51 (1m).

11 **SECTION 7.** 11.511 (3) of the statutes is amended to read:

12 11.511 (3) ~~Except as provided in ss. 11.512 (2) and 11.513 (2), the~~ The maximum  
13 public financing benefit for an election campaign period is \$300,000, subject to  
14 adjustment under s. 11.51 (1m).

15 **SECTION 8.** 11.511 (6) of the statutes is amended to read:

16 11.511 (6) Notwithstanding subs. (2) and (3), beginning on July 1, 2012, and  
17 every 2 years thereafter, the board shall modify the maximum public financing  
18 benefits provided for in subs. (2) and (3) to adjust for the change in the consumer price  
19 index, all items, U.S. city average, published by the U.S. department of labor for the  
20 preceding 2-year period ending on December 31.

21 **SECTION 9.** 11.511 (7) (a) of the statutes is renumbered 11.511 (7) and amended  
22 to read:

23 11.511 (7) ~~Except as provided in par. (b), no~~ No candidate for the office of justice  
24 who files an application for a public financing benefit and certification under s. 11.51  
25 (1) and who accepts a public financing benefit may make or authorize total

1 disbursements in a campaign, beginning with the first day of the exploratory period  
2 and ending on the date of the spring election, to the extent of more than the maximum  
3 amounts specified in ss. 11.502 (2) and 11.508 (1), plus the amount specified in s.  
4 11.511 (3), as adjusted under s. 11.511 (6), and, if there is a primary for the office of  
5 justice, the amount specified in s. 11.511 (2), as adjusted under s. 11.511 (6).

6 **SECTION 10.** 11.511 (7) (b) of the statutes is repealed.

7 **SECTION 11.** 11.512 of the statutes is repealed.

8 **SECTION 12.** 11.513 of the statutes is repealed.

9 **SECTION 13.** 11.517 (1) of the statutes is amended to read:

10 11.517 (1) Notwithstanding s. 11.60 (1), if an eligible candidate makes  
11 disbursements that exceed the total amount of the public financing benefit allocated  
12 to the candidate for any campaign ~~and~~, the total qualifying and seed money  
13 contributions lawfully accepted by the candidate, and the total private contributions  
14 that the candidate may accept under s. 11.506 (1), the candidate may be required to  
15 forfeit not more than 10 times the amount by which the disbursements exceed the  
16 ~~allocation~~ that total.

17 **SECTION 14.** 11.522 of the statutes is amended to read:

18 **11.522 Contributions to nonparticipating candidates.** A  
19 nonparticipating candidate may accept contributions from private sources ~~without~~  
20 ~~limitation, except that no person may make any contribution or contributions to a~~  
21 ~~nonparticipating candidate exceeding a total of \$1,000 during any campaign, subject~~  
22 to applicable limitations under s. 11.26.

23 **SECTION 15.** 20.566 (1) (hp) of the statutes is amended to read:

24 20.566 (1) (hp) *Administration of income tax checkoff voluntary payments.* The  
25 amounts in the schedule for the payment of all administrative costs, including data



processing costs, incurred in administering ss. 71.10 (3e), (5), (5e), (5f), (5fm), (5g), (5h), (5i), (5j), and (5m), and 71.30 (10). All moneys specified for deposit in this appropriation under ss. 71.10 (3e) (j), (5) (h) 5., (5e) (h) 4., (5f) (i), (5fm) (i), (5g) (i), (5h) (i), (5i) (i), (5j) (i), and (5m) (i), and 71.30 (10) (i) and (11) (i) shall be credited to this appropriation account.

LPS: DLS

Chg comp

SECTION 16. 20.585 (1) (q) of the statutes is amended to read:

*renumbered 20.511(1) (gm) and*  
~~20.585~~ (1) ~~(q)~~ *(gm)* Public financing benefits; candidates for justice. From the democracy trust fund, a sum sufficient equal in each fiscal year to the lesser of the total amount annually certified for the democracy trust fund under s. 71.10 (3e) (h) 3., minus the amounts appropriated under ss. 20.511 (1) (r) and 20.585 (1) (v) for the fiscal year in which the certification is made, and the total amount of public financing benefits that eligible candidates qualify to receive in that fiscal year, to provide for payment of public financing benefits to eligible candidates under ss. 11.501 to 11.522.

SECTION 17. 20.855 (4) (b) of the statutes is repealed.

SECTION 18. 20.855 (4) (ba) of the statutes is repealed.

SECTION 19. 20.855 (4) (bb) of the statutes is repealed.

SECTION 20. 25.42 of the statutes is amended to read:

**25.42 Wisconsin election campaign fund.** All moneys appropriated under s. 20.855 (4) (b) and all moneys deposited in the Wisconsin election campaign fund under s. 71.10 (3e) (j) together with all moneys reverting to the state under s. 11.50 (8) and all gifts, bequests and devises received under s. 11.50 (13) constitute the Wisconsin election campaign fund, to be expended for the purposes of s. 11.50. All moneys in the fund not disbursed by the state treasurer shall continue to accumulate indefinitely.

1           **SECTION 21.** 25.42 of the statutes, as affected by 2011 Wisconsin Act .... (this  
2 act), is amended to read:

3           **25.42 Wisconsin election campaign fund.** All moneys appropriated under  
4 ~~s. 20.855 (4) (b) and all moneys~~ deposited in the Wisconsin election campaign fund  
5 under s. 71.10 (3e) (j) together with all moneys reverting to the state under s. 11.50  
6 (8) and all gifts, bequests and devises received under s. 11.50 (13) constitute the  
7 Wisconsin election campaign fund, to be expended for the purposes of s. 11.50. All  
8 moneys in the fund not disbursed by the state treasurer shall continue to accumulate  
9 indefinitely.

10          **SECTION 22.** 25.421 of the statutes is amended to read:

11          **25.421 Democracy trust fund.** All moneys appropriated under s. 20.855 (4)  
12 (ba) ~~and (bb)~~ and all moneys deposited in the ~~state treasury~~ democracy trust fund  
13 under ss. 11.509, 11.51 (4), ~~and 11.511 (5r), and 71.10 (3e) (j)~~ constitute the democracy  
14 trust fund, to be expended for the purposes of ss. 11.501 to 11.522.

15          **SECTION 23.** 25.421 of the statutes, as affected by 2011 Wisconsin Act .... (this  
16 act), is amended to read:

17          **25.421 Democracy trust fund.** All moneys ~~appropriated under s. 20.855 (4)~~  
18 ~~(ba) and all moneys~~ deposited in the democracy trust fund under ss. 11.509, 11.51 (4),  
19 11.511 (5r), and 71.10 (3e) (j) constitute the democracy trust fund, to be expended for  
20 the purposes of ss. 11.501 to 11.522.

21          **SECTION 24.** 71.10 (3) (title) of the statutes is amended to read:

22          71.10 (3) (title) CAMPAIGN FUND FUNDS, BEFORE 2012.

23          **SECTION 25.** 71.10 (3) (c) of the statutes is created to read:

24          71.10 (3) (c) This subsection does not apply to a taxable year that begins after  
25 December 31, 2011.

1           **SECTION 26.** 71.10 (3e) of the statutes is created to read:

2           71.10 (3e) CAMPAIGN FUNDS, AFTER 2011. (a) *Definition.* In this subsection,  
3           “department” means the department of revenue.

4           (b) *Voluntary payments.* 1. ‘Designation on return.’ Every individual filing an  
5           income tax return who has a tax liability or is entitled to a tax refund may designate  
6           on the return \$3 of additional payment or \$3 of a refund due that individual for the  
7           Wisconsin election campaign fund and the democracy trust fund for the use of eligible  
8           candidates under ss. 11.50 to 11.522. If the individuals filing a joint return have a  
9           tax liability or are entitled to a tax refund, each individual may make a designation  
10          of \$3 under this subsection.

11          2. ‘Designation added to tax owed.’ If the individual owes any tax, the  
12          individual shall remit in full the tax due and the amount designated on the return  
13          for the Wisconsin election campaign fund and the democracy trust fund when the  
14          individual files a tax return.

15          3. ‘Designation deducted from refund.’ Except as provided under par. (d), if the  
16          individual is owed a refund for that year after crediting under ss. 71.75 (9) and 71.80  
17          (3) and (3m), the department shall deduct the amount designated on the return for  
18          the Wisconsin election campaign fund and the democracy trust fund from the amount  
19          of the refund.

20          (c) *Errors; failure to remit correct amount.* If an individual who owes taxes fails  
21          to remit an amount equal to or in excess of the total of the actual tax due, after error  
22          corrections, and the amount designated on the return for the Wisconsin election  
23          campaign fund and the democracy trust fund:

24          1. The department shall reduce the designation for the Wisconsin election  
25          campaign fund and the democracy trust fund to reflect the amount remitted in excess

1 of the actual tax due, after error corrections, if the individual remitted an amount  
2 in excess of the actual tax due, after error corrections, but less than the total of the  
3 actual tax due, after error corrections, and the amount originally designated on the  
4 return for the Wisconsin election campaign fund and the democracy trust fund.

5 2. The designation for the Wisconsin election campaign fund and the  
6 democracy trust fund is void if the individual remitted an amount equal to or less  
7 than the actual tax due, after error corrections.

8 (d) *Errors; insufficient refund.* If an individual who is owed a refund which does  
9 not equal or exceed the amount designated on the return for the Wisconsin election  
10 campaign fund and the democracy trust fund, after crediting under ss. 71.75 (9) and  
11 71.80 (3) and (3m) and after error corrections, the department shall reduce the  
12 designation for the Wisconsin election campaign fund and the democracy trust fund  
13 to reflect the actual amount of the refund the individual is otherwise owed, after  
14 crediting under ss. 71.75 (9) and 71.80 (3) and (3m) and after error corrections.

15 (e) *Conditions.* If an individual places any conditions on a designation for the  
16 Wisconsin election campaign fund or the democracy trust fund, the designation is  
17 void.

18 (f) *Void designation.* If a designation for the Wisconsin election campaign fund  
19 and the democracy trust fund is void, the department shall disregard the designation  
20 and determine amounts due, owed, refunded, and received without regard to the void  
21 designation.

22 (g) *Tax return.* The secretary of revenue shall provide a place for the  
23 designations under this subsection on the individual income tax return and, on forms  
24 printed by the department, the secretary shall highlight that place on the return by

1 a symbol chosen by the government accountability board that relates to the  
2 Wisconsin election campaign fund and the democracy trust fund.

3 (h) *Certification of amounts.* Annually, on or before August 15, the secretary  
4 of revenue shall certify to the government accountability board, the department of  
5 administration and the state treasurer all of the following:

6 1. The total amount of the administrative costs, including data processing  
7 costs, incurred by the department in administering this subsection during the  
8 previous fiscal year.

9 2. The total amount received from all designations for the Wisconsin election  
10 campaign fund and the democracy trust fund made by taxpayers during the previous  
11 fiscal year.

12 3. The net amount remaining after the administrative costs, including data  
13 processing costs, under subd. 1. are subtracted from the total received under subd.

14 2.

15 (i) *Confidentiality.* The names of persons making designations under this  
16 subsection shall be strictly confidential.

17 (j) *Appropriations.* From the moneys received from designations for the  
18 Wisconsin election campaign fund and the democracy trust fund, an amount equal  
19 to the sum of administrative expenses, including data processing costs, certified  
20 under par. (h) 1. shall be deposited in the general fund and credited to the  
21 appropriation under s. 20.566 (1) (hp), and two-thirds of the net amount remaining  
22 certified under par. (h) 3. shall be deposited in the democracy trust fund and  
23 one-third of the net amount remaining certified under par. (h) 3. shall be deposited  
24 in the Wisconsin election campaign fund.

(k) *Amounts subject to refund.* Amounts designated for the Wisconsin election campaign fund and the democracy trust fund under this subsection are not subject to refund to the taxpayer unless the taxpayer submits information to the satisfaction of the department, within 18 months after the date taxes are due or the date the return is filed, whichever is later, that the amount designated is clearly in error. Any refund granted by the department under this paragraph shall be deducted from the moneys received under this subsection in the fiscal year that the refund is certified.

(L) This subsection first applies to taxable years beginning after December 31, 2011.

**SECTION 9418. Effective dates; Government Accountability Board.**

(1) PUBLIC FINANCING OF CAMPAIGNS FOR STATE OFFICE. The treatment of sections 11.26 (9) (a) and (b), 11.506 (1), 11.51 (title) and (1m), 11.511 (1), (2), (3), and (6), 11.512, 11.513, 11.517 (1), 11.522, 20.566 (1) (hp), 20.585 (1) (q) and (4) (bb), 25.421, and 71.10 (3) (title) and (c) and (3e) of the statutes, the repeal of section 11.511 (7) (b) of the statutes, and the renumbering and amendment of section 11.511 (7) (a) of the statutes take effect on January 1, 2012.

(2) CAMPAIGN FUND APPROPRIATIONS. The treatment of sections 20.855 (4) (b) and (ba) and 25.42 (by SECTION (21)) and 25.421 (by SECTION (23)) of the statutes takes effect on January 1, 2013.

(END)

**2011-2012 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0778/2ins  
JTK.....

INS 2A:

*The bill applies to grants awarded after December 31, 2011.*  
*NOA* Currently, the democracy trust fund is administered by the state treasurer.  
*NOA* This bill transfers administration of the fund to the Government Accountability Board. ✓

INS 4-20:

**SECTION 1.** 11.51 (2) of the statutes is amended to read:

11.51 (2) The board shall certify ~~to the state treasurer~~ the name of each eligible candidate at the spring primary together with the amount of the public financing benefit payable to the candidate promptly after the candidate demonstrates his or her eligibility and, in any event, not later than 5 days after the end of the public financing qualifying period. ~~The state treasurer~~ Upon certification of an eligible candidate, the board ✓ shall immediately credit that candidate's account with a line of credit for the amount certified. No candidate may utilize a line of credit received under this subsection until the beginning of the primary election campaign period. ✓

History: 2009 a. 89.

**SECTION 2.** 11.51 (3) of the statutes is amended to read:

11.51 (3) The board shall certify ~~to the state treasurer~~ the name of each eligible candidate at the spring election together with the amount of the public financing benefit payable to the candidate not later than 48 hours after the date of the spring primary election for the office of justice, or the date that the primary election would be held if a primary were required. ✓ ~~The state treasurer~~ Upon certification of an eligible candidate, the board shall immediately credit that candidate's account with a line of credit for the amount certified. However, no candidate for a particular office

shall receive a line of credit until all candidates for the office of justice who apply and qualify for a public financing benefit have been certified as eligible candidates.✓

History: 2009 a. 89.

INS 6-8:

**SECTION 3.** 11.515 of the statutes is amended to read:

**11.515 Democracy trust fund.** The democracy trust fund shall be administered by the ~~state treasurer~~ government accountability board. The ~~state treasurer~~ board shall establish an account within the fund for each eligible candidate.✓

History: 2009 a. 89.

INS 7-13:

**SECTION 4.** 20.585 (1) (r) of the statutes is repealed.✓



## Kuesel, Jeffery

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**From:** Frederick, Caitlin - DOA [caitlin.frederick@wisconsin.gov]  
**Sent:** Wednesday, February 09, 2011 7:14 PM  
**To:** Kuesel, Jeffery  
**Subject:** FW: LRB 0778/2 as it relates to effective date of section 19

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From: Grinde, Kirsten - DOA  
Sent: Wednesday, February 09, 2011 6:39 PM  
To: Frederick, Caitlin - DOA  
Cc: Waterman, Mickie D - DOA  
Subject: RE: LRB 0778/2 as it relates to effective date of section 19

It also looks like the missed a "s. 20.855" on Page 13, line 13, before "(4)(bb)." As it currently reads it would affect s. 20.585(4)(bb), which does not exist. Thanks.

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From: Grinde, Kirsten - DOA  
Sent: Wednesday, February 09, 2011 6:37 PM  
To: Frederick, Caitlin - DOA  
Cc: Waterman, Mickie D - DOA  
Subject: LRB 0778/2 as it relates to effective date of section 19

Caitlin,

Could you request that the renumbering of s. 20.585(1)(q) occur on the effective date of the bill? The amendment to the language would continue to occur on January 1, 2012 as currently drafted.

This would have GAB sending out any checks to candidates that they certify in calendar year 2011. Otherwise, it would transfer mid-fiscal year and we have already zeroed out the dollars and inactivated it in the Treasurer's office so it won't appear in Chapter 20 under s. 20.585.

Please let me know if you have any questions.

Thanks,

Kirsten